



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

HB4427

Introduced 1/14/2026, by Rep. Michael Crawford

SYNOPSIS AS INTRODUCED:

30 ILCS 105/6z-112

Amends the State Finance Act. Creates the Prison Education Fund. Provides that moneys in the Prison Education Fund shall be used by the Illinois Community College Board and Illinois Board of Higher Education to make grants to prison education programs that award associate degrees or bachelor's degrees to currently incarcerated students. Makes changes concerning the allocation of money from the Cannabis Regulation Fund. Provides that 0.5% of the moneys in the Cannabis Regulation Fund, after certain allocations have been made, shall be transferred from the Cannabis Regulation Fund to the Prison Education Fund.

LRB104 17729 HLH 31160 b

1 AN ACT concerning finance.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The State Finance Act is amended by changing
5 Section 6z-112 as follows:

6 (30 ILCS 105/6z-112)

7 Sec. 6z-112. The Cannabis Regulation Fund.

8 (a) There is created the Cannabis Regulation Fund in the
9 State treasury, subject to appropriations unless otherwise
10 provided in this Section. All moneys collected under the
11 Cannabis Regulation and Tax Act shall be deposited into the
12 Cannabis Regulation Fund, consisting of taxes, license fees,
13 other fees, and any other amounts required to be deposited or
14 transferred into the Fund.

15 (b) Whenever the Department of Revenue determines that a
16 refund should be made under the Cannabis Regulation and Tax
17 Act to a claimant, the Department of Revenue shall submit a
18 voucher for payment to the State Comptroller, who shall cause
19 the order to be drawn for the amount specified and to the
20 person named in the notification from the Department of
21 Revenue. This subsection (b) shall constitute an irrevocable
22 and continuing appropriation of all amounts necessary for the
23 payment of refunds out of the Fund as authorized under this

1 subsection (b).

2 (c) On or before the 25th day of each calendar month, the
3 Department of Revenue shall prepare and certify to the State
4 Comptroller the transfer and allocations of stated sums of
5 money from the Cannabis Regulation Fund to other named funds
6 in the State treasury. The amount subject to transfer shall be
7 the amount of the taxes, license fees, other fees, and any
8 other amounts paid into the Fund during the second preceding
9 calendar month, minus the refunds made under subsection (b)
10 during the second preceding calendar month by the Department.
11 The transfers shall be certified as follows:

12 (1) The Department of Revenue shall first determine
13 the allocations which shall remain in the Cannabis
14 Regulation Fund, subject to appropriations, to pay for the
15 direct and indirect costs associated with the
16 implementation, administration, and enforcement of the
17 Cannabis Regulation and Tax Act by the Department of
18 Revenue, the Department of State Police, the Department of
19 Financial and Professional Regulation, the Department of
20 Agriculture, the Department of Public Health, the
21 Department of Commerce and Economic Opportunity, and the
22 Illinois Criminal Justice Information Authority.

23 (2) After the allocations have been made as provided
24 in paragraph (1) of this subsection (c), of the remainder
25 of the amount subject to transfer for the month as
26 determined in this subsection (c), the Department shall

1 certify the transfer into the Cannabis Expungement Fund
2 1/12 of the fiscal year amount appropriated from the
3 Cannabis Expungement Fund for payment of costs incurred by
4 State courts, the Attorney General, State's Attorneys,
5 civil legal aid, as defined by Section 15 of the Public
6 Interest Attorney Assistance Act, and the Department of
7 State Police to facilitate petitions for expungement of
8 Minor Cannabis Offenses pursuant to Public Act 101-27, as
9 adjusted by any supplemental appropriation, plus
10 cumulative deficiencies in such transfers for prior
11 months.

12 (3) After the allocations have been made as provided
13 in paragraphs (1) and (2) of this subsection (c), the
14 Department of Revenue shall certify to the State
15 Comptroller and the State Treasurer shall transfer the
16 amounts that the Department of Revenue determines shall be
17 transferred into the following named funds according to
18 the following:

19 (A) 2% shall be transferred to the Drug Treatment
20 Fund to be used by the Department of Human Services
21 for: (i) developing and administering a scientifically
22 and medically accurate public education campaign
23 educating youth and adults about the health and safety
24 risks of alcohol, tobacco, illegal drug use (including
25 prescription drugs), and cannabis, including use by
26 pregnant women; and (ii) data collection and analysis

1 of the public health impacts of legalizing the
2 recreational use of cannabis. Expenditures for these
3 purposes shall be subject to appropriations.

4 (B) 8% shall be transferred to the Local
5 Government Distributive Fund and allocated as provided
6 in Section 2 of the State Revenue Sharing Act. The
7 moneys shall be used to fund crime prevention
8 programs, training, and interdiction efforts,
9 including detection, enforcement, and prevention
10 efforts, relating to the illegal cannabis market and
11 driving under the influence of cannabis.

12 (C) 25% shall be transferred to the Criminal
13 Justice Information Projects Fund to be used for the
14 purposes of the Restore, Reinvest, and Renew Program
15 to address economic development, violence prevention
16 services, re-entry services, youth development, and
17 civil legal aid, as defined by Section 15 of the Public
18 Interest Attorney Assistance Act. The Restore,
19 Reinvest, and Renew Program shall address these issues
20 through targeted investments and intervention programs
21 and promotion of an employment infrastructure and
22 capacity building related to the social determinants
23 of health in impacted community areas. Expenditures
24 for these purposes shall be subject to appropriations.

25 (D) 20% shall be transferred to the Department of
26 Human Services Community Services Fund, to be used to

1 address substance abuse and prevention and mental
2 health concerns, including treatment, education, and
3 prevention to address the negative impacts of
4 substance abuse and mental health issues, including
5 concentrated poverty, violence, and the historical
6 overuse of criminal justice responses in certain
7 communities, on the individual, family, and community,
8 including federal, State, and local governments,
9 health care institutions and providers, and
10 correctional facilities. Expenditures for these
11 purposes shall be subject to appropriations.

12 (E) 10% shall be transferred to the Budget
13 Stabilization Fund.

14 (F) 0.5% shall be transferred to the Prison
15 Education Fund, a special fund created in the State
16 treasury. Moneys in the Prison Education Fund shall be
17 used by the Illinois Community College Board and
18 Illinois Board of Higher Education to make grants to
19 prison education programs that award associate degrees
20 or bachelor's degrees to currently incarcerated
21 students. The Illinois Community College Board and the
22 Illinois Board of Higher Education shall distribute
23 moneys received under this paragraph as grants to
24 eligible institutions, informed by regular meetings of
25 relevant agencies, programs, and affected
26 stakeholders, as appropriate. Only private non-profit

1 and public colleges and universities shall be eligible
2 to apply for grants under this paragraph. The
3 applications from eligible programs shall be evaluated
4 based on: (i) the program's commitment to use funding
5 to stabilize and increase enrollment; (ii) past data
6 on program costs, enrollment, attendance, and
7 outcomes, including, but not limited to, credit
8 completion and graduation; (iii) the program's
9 willingness to collect and report necessary program
10 data; and (iv) the program's willingness to take all
11 possible and prudent steps to receive federal and
12 other sources of funding. Eligible programs shall
13 apply for and receive no more than \$2,000 per student
14 enrolled in the program, with excess grant funding
15 returned to the Illinois Community College Board or
16 the Illinois Board of Higher Education, as applicable,
17 for deposit into the Prison Education Fund.
18 Undistributed and returned grant moneys shall be
19 transferred annually from the Prison Education Fund to
20 the General Revenue Fund.

21 (G) 34.5%, ~~(F) 35%~~, or any remaining balance,
22 shall be transferred to the General Revenue Fund.

23 As soon as may be practical, but no later than 10 days
24 after receipt, by the State Comptroller of the transfer
25 certification provided for in this subsection (c) to be given
26 to the State Comptroller by the Department of Revenue, the

1 State Comptroller shall direct and the State Treasurer shall
2 transfer the respective amounts in accordance with the
3 directions contained in such certification.

4 (d) On July 1, 2019 the Department of Revenue shall
5 certify to the State Comptroller and the State Treasurer shall
6 transfer \$5,000,000 from the Compassionate Use of Medical
7 Cannabis Fund to the Cannabis Regulation Fund.

8 (e) Notwithstanding any other law to the contrary and
9 except as otherwise provided in this Section, this Fund is not
10 subject to sweeps, administrative charge-backs, or any other
11 fiscal or budgetary maneuver that would in any way transfer
12 any amounts from this Fund into any other fund of the State.

13 (f) The Cannabis Regulation Fund shall retain a balance of
14 \$1,000,000 for the purposes of administrative costs.

15 (g) In Fiscal Year 2024 the allocations in subsection (c)
16 of this Section shall be reviewed and adjusted if the General
17 Assembly finds there is a greater need for funding for a
18 specific purpose in the State as it relates to Public Act
19 101-27.

20 (Source: P.A. 101-27, eff. 6-25-19; 102-558, eff. 8-20-21.)